

**THE MINUTES OF THE  
HIBBING CITY COUNCIL RETREAT  
MARCH 24, 2010**

**TIME AND PLACE:** A meeting retreat of the Hibbing City Council was held on Wednesday, March 24, 2010 at 6:00 p.m. at the Range Regional Airport Conference Room.

**ATTENDANCE:** Present at roll call: Mayor Rick Wolff, Clerk Pat Garrity, Councilor Jack Lund, Councilor Frank Bigelow, Councilor Darby Sater, and Councilor Patty Shafer. Also present were City Administrator Brian Redshaw, City Attorney Dick Sellman, Finance Director Sherri A. Renskers, and Administrative Council Assistant Sharon Ross

**CALL TO ORDER:** Mayor Wolff called the meeting to order at 6:05 p.m.

**DISCUSSIONS:**

A list of agenda items was compiled with input from the Council and in respect to length of meeting time the list was shortened to five items for tonight's discussion. Additional meetings will be scheduled once per month to cover the remaining agenda items.

1. **PRESENTATION:**

The Fort & Company Team of Laura Ruzich, Diane Kruger-Pernot, and Kristen Towner gave a presentation regarding the Scope and Planning for the 2010 Audit. The estimated timeline has the audit already in progress and through April 16<sup>th</sup> for audit planning, April 19<sup>th</sup> – May 28<sup>th</sup> for audit field work and reporting, June 15<sup>th</sup> to have the PUC paperwork ready to incorporate into audit financial statement, June 28<sup>th</sup> – 30<sup>th</sup> state filing, and July 21<sup>st</sup> for the tentative date to report. Audit findings will be presented before the City Council. Ms. Ruzich will communicate with Mr. Garrity, Mr. Redshaw and Mrs. Renskers if the timeline needs to be adjusted or delayed.

2. **LGA MITIGATION STRATEGIES:**

Mr. Redshaw reviewed the City's financial status and potential items to consider through his Assumptions of Budget Analysis memo. One additional item to add is the close out of the Insurance Fund which would give additional revenue of \$160,000. The Finance Department will work on the calculations of closing out the fund and complete this as soon as possible.

Mr. Redshaw asked the Council if a necessary savings of \$619,000 was an agreeable number and it was. Mr. Redshaw reviewed the LGA Reduction Scenario as well as a list of Current Subsidies in the 2010 Budget.

### 3. **SEASONAL/PART TIME EMPLOYEES:**

There are currently three employees that are seasonal and the question is should they be called back? There are also 60 summer/part time employees throughout the various city departments that need to be reviewed. Public services will not be able to be offered to the public as usual if there is a decreased amount of employees. We will need to send a signal to the city that we have a financial problem that needs to be addressed and by not calling back all of the part-time seasonal there would definitely be an issue of public image.

- Are the same people getting called back, and why can't we get new people and start at the base wage. The response was that the departments like to have the same people so they don't have to re-train them. It should not be the same hires over and over because everyone pays taxes and other kids should have the same opportunity. If we lower the wage then we may be able to have more staff to cover more services vs. less with a higher wage.
- Question asked if business owner's can water the flowers. We do get flowers donated and if they are not cared for we will lose the donations. It provides a nice image. Suggestion to just have one worker to water flowers and to not water them when it is raining.
- Could the fees for the summer programs be increased? Mr. Redshaw will check into this.
- Some seasonal (summer help) positions need specializations/certifications such as coaches/instructors/lifeguards. Those specialized workers should be able to come back.
- Needs distinction between life guards and should have life guards for specific hours.
- Should we cut programs? Mr. Redshaw will review with departments where the job responsibilities/positions could be reviewed and tweaked to save dollars if we don't want to cut programs that are offered.
- If we tweak the number of seasonal (summer part time) employees – some things won't get done. There will need to be cuts in services.

- Could the Memorial Building be shut down for 2 months in the summer and use employees elsewhere? There are commitments for skating clubs for use of the building. Mr. Redshaw will ask Mr. Fink what programs the arena is committed for July and August, keeping in mind the Primary election is August 10<sup>th</sup>.
- Mr. Redshaw will come up with a way to reduce the number of Seasonal (summer/part-time) Employees and submit his recommendation and request for Council action on April 7<sup>th</sup>.

### **OTHER AREAS TO REVIEW UNDER CURRENT SUBSIDIES:**

- **Building Permit Fees:** Councilor Bigelow noted that one suggested item is to not waive building fees.
- **The Street Dance:** The bar owner's do not contribute to clean-up from the Street Dance Event. However during the Palmer's/Checco's event, they do the clean up. The City could subsidize the parade but not the Street Dance. The City will be charging the vendors during the Jubilee a transient merchant fee of \$50 and also need to charge a clean-up cost to the bars for these events. The charge for the special events for the bar owners clean up costs will need to be built into the application and approval process.
- **Arena:** The City is donating \$44,000 for group of figure skating and youth hockey. The Summer and Winter Ice should be the same fee.
- **Curling Club Lease:** Are utilities paid for by curling club?
- **Arena:** What if the arena is only open for 4 weeks for hockey – can those positions then fill in at the parks. Not contractually.
- **Fees:** We can raise fees
- **Police Department:**
  - There are 30 officers budgeted for. Can reduce wages of \$66,000 if not going up to 30 staff.
  - Ms. Valentini is retiring May 1<sup>st</sup> and if that position is not replaced there would be a savings of \$30,000 for 2010 and \$52,000 for 2011.
  - What of the Home transcriptionist and when the transcriptionist was hired the understanding was that the home transcription wouldn't be need.
  - Parking tickets – Discussion held on what to do with the parking ticket administration responsibility once Ms. Valentini retires. Suggestions

included eliminating parking tickets, passing the responsibility to officers, the cost without parking tickets and how much would we save, partnering with other communities that have the administrative training for parking tickets, if no parking tickets would save a monthly fee for the software, what are the ramifications if we don't write parking tickets, possibility of splitting the duties of the parking tickets with the support positions and the parking enforcement position.

- **Fire Department and nuisance calls/false alarms:** Can we charge for false alarms or consistent callers? Mr. Redshaw will check to see how many false alarms calls there are to put together a fee.
- **Street Light Utility Fund:** When the agreement was initially negotiated, the PUC was in need of assistance to cover installing new street lights for the entire town. How many new street lights have there been in recent years. Discussion also held on storm sewer and sanitary sewer, irrigation, and solid waste. A meeting will be arranged with the PUC to discuss the solution to these items in fairness for both the City and the PUC. We don't want to take the governors tax cuts and put it on the people. We should start the discussion with the PUC to agree on a break on the rates that wouldn't result in a rate increase on the people. PUC should be able to take care of their own excavations now as this agreement was negotiated when it was a better time for us to help them during their time of need but now we are needing to look at manpower, cost of equipment, and materials.

**SUMMARY:** The following items will be considered.

- Savings of \$66,000 for not hiring the 30<sup>th</sup> officer for the HPD that is currently budgeted for.
- Savings of \$30,000 for 2010 for not replacing the HPD Administrative Aide\Coordinator
- Mr. Redshaw will look at tweaking the Seasonal (summer/part-time) Help Positions and Raising the Program Fees for a target of \$30,000
- Possibility of incorporating the parking tickets administration into Parking Enforcement Duties
- Discussions with PUC could result in savings of \$50,000
- Finance review of budget efficiencies resulting in savings of \$50,000
- Insurance fund - \$160,000

**Above Item Total of \$386,000**

**OTHER ITEMS:**

- Mr. Redshaw will meet with the Chamber of Commerce and the local Bar Owners to find \$7,000 to offset costs for clean up after community events.
- Mr. Redshaw will communicate with each department head to manage to save 15% of overtime. A savings of overtime of 15% would save approximately \$60,000.
- Mr. Redshaw will compile a summary of the items with dollar figures attached and email it to the Council.

**4. BOARDS & COMMISSIONS POLICY:**

The policy needs to be updated to remove the 30 – mile radius for applicants to be residents within the Hibbing city limits. Also if the applicant owns a business, pays property tax, within corporate limits and operate a business within the city limits. Noted that Virginia’s policy also states has to be a registered voter of the city. Mr. Sellman will review the history of the policy finding a motion that changed this policy (time frame could be when Councilor Shafer was appointed to HEDA).

5. **JOINT CITY COUNCIL AGENDA:** The tentative agenda for the joint city council meeting with the cities of Chisholm and Hibbing will include: safety training, joint purchasing policy, city assessor agreement, building inspection agreement, and position replacement and contract review policy. Current times are finding cities in the need for regional cooperation and collaboration working together as partnerships.

**6. OTHER DISCUSSION:**

- **Shared Services:** Possibility of meeting with Keewatin as well for shared services.
- **County Jail Agreement:** discussion vs. transporting prisoners.
- **Mutual Aid:** Mr. Redshaw will research how many times our Fire Department is called over for mutual aid and what is the cost of overtime.
- **Union Contracts:** Need to meet with the unions. When?

- **Police Chief Test:** Where are we? Under Mr. Redshaw's spending authority can he proceed with the purchase of the study guide for the test? We need to fill that position. Mr. Redshaw will review tomorrow.
- **Ordinance:** Need to change the refuse ordinance – May 1<sup>st</sup>
- **Street Light Utility Option**
- **Garbage Cans:** Discussion held on garbage cans. Mr. Redshaw will check on the garbage can status and purchase orders and how much and when they were ordered.
- **GPS on Garbage Routes for Efficiencies.** The price of the equipment would be do-able. Keep in mind the hours for schedule staff with the contract. Trucks shouldn't be assigned per person and need to be used more efficiently. Need to look to the County Landfill for cooperative help and a possible agreement that could be worked out if having an afternoon shift – keeping in mind the union contract.
- **Blue Bags:** Can Chisholm use the remaining blue bags? We have \$6,000 worth of bags left.

**CONCLUSION:** A recommendation will be given for consideration and action for next council meeting that is scheduled for Wednesday, April 7th. Mr. Redshaw will summarize tonight's items and send out to the Council tomorrow.

**NEXT MEETING:** Will schedule a meeting for next month to discuss remaining items. Send any additional ideas to Mr. Redshaw.

**ADJOURNMENT:** Meeting was adjourned at 8:40 p.m.

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Richard M. Wolff, Mayor

ATTEST: \_\_\_\_\_  
Patrick L. Garrity, Clerk